

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Pine Ridge Salvage Timber Sale is located within Sections 15, 16, & 22, T2N-R31E, Section 16, T2N-R32E, and Sections 16 & 36, T3N-R32E, on the State's Southern Land Office. Approximately 17,490 tons, consisting of ponderosa pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **October 23, 2006 at 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. **DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.** Bids must be accompanied by a deposit of **\$4,372.00**, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within **14** calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), the Southern Land Office in Billings (406-247-4403), or the Eastern Land Office in Miles City, MT (406-232-2034).

Visit our website at www.dnrc.mt.gov Online Services for bid results and upcoming sales.

/s/ David A. Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: September 21, 28, October 5, 12, 2006

TIMBER SALE PROSPECTUS

MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:	Pine Ridge Salvage		
Timber Sale Location:	Sec's 15,16,22, T2N-R31E, Sec 16, T2N-R32E, Sec's 16 &36, T3N-R32E. Approximately 40 air miles NE of Billings MT.		
For specific sale information, contact: Chris Pileski (Eastern Land Office)			
Phone	406-232-2034		
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-232-2034	Chris Pileski	Eastern Land Office
Phone	406-247-4403	Fred Bicha	Southern Land Office

General Bidding Information

1. Bids must be submitted on standard DNRC bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
3. DNRC recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
4. A **bid guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **performance bond** within **14** days of the sale award. It will amount to 20% or more of the bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract.
6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
9. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood will be weighed and billed at per ton bid rates. The Department recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and the tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. DNRC strongly recommends that bidders evaluate these effects before bidding.
10. DNRC does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not its market value. Purchasers should make their own estimates based on contract requirements.
11. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above.
12. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications

Sale Data			
1274	Net Sale Area (acres)	10.9	Miles of Temporary Spur Road Construction
November 1, 2007	Contract ending date	25	Miles of road reconstruction Existing Two-Tracks state and private
N/A	Cable logging required (% of volume)	10.9	Miles of road reclamation or abandonment
Operating Season: Date of Contract signature-October 1, 2007			
Charges and Appraised Costs			
\$4372.00	Bid Guarantee (total \$)		
20%of Bid Value	Performance Bond		
\$ N/A	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$0.40	Collected Forest Improvement Fee (\$ per ton)		
\$ N/A	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$ N/A	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$ N/A	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$ N/A	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$ N/A	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids

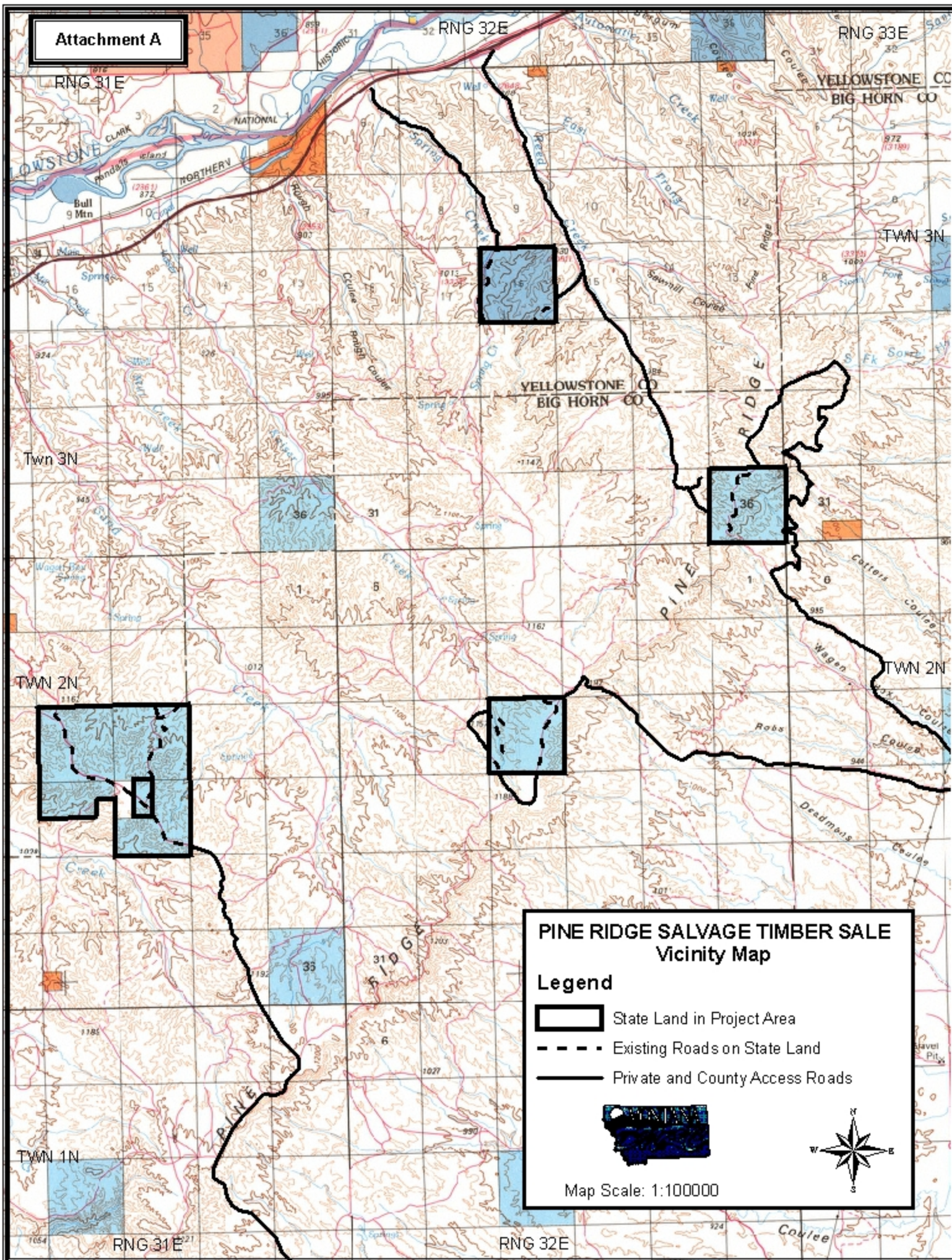
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$5.00/ton
Gross Cubic Feet (in thousands)									
% Cull and Breakage	15%							20%	17.5%
Net Cubic Feet (in thousands)									
Pounds per cubic foot									
Net tons	4185							13305	17490
Gross MBF (Scribner 6" top DIB)									
%Cull and Breakage									
Net MBF									
Average logs per MBF	17							18.6	18.2
Average DBH	14.4							13.52	13.65
Average tons per acre harvested in leave-tree marked units									13.7
Average tons per acre harvested in cut-tree-marked units									N/A
Average MBF to cut per acre on the timber sale									N/A
Range of cut trees per acre based on unit cruise									26.7
Calculated Sampling Error (net MBF): 10.9%									
The total cruised volume will fall between 2,077 and 2,585 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 7.5 tons per MBF									

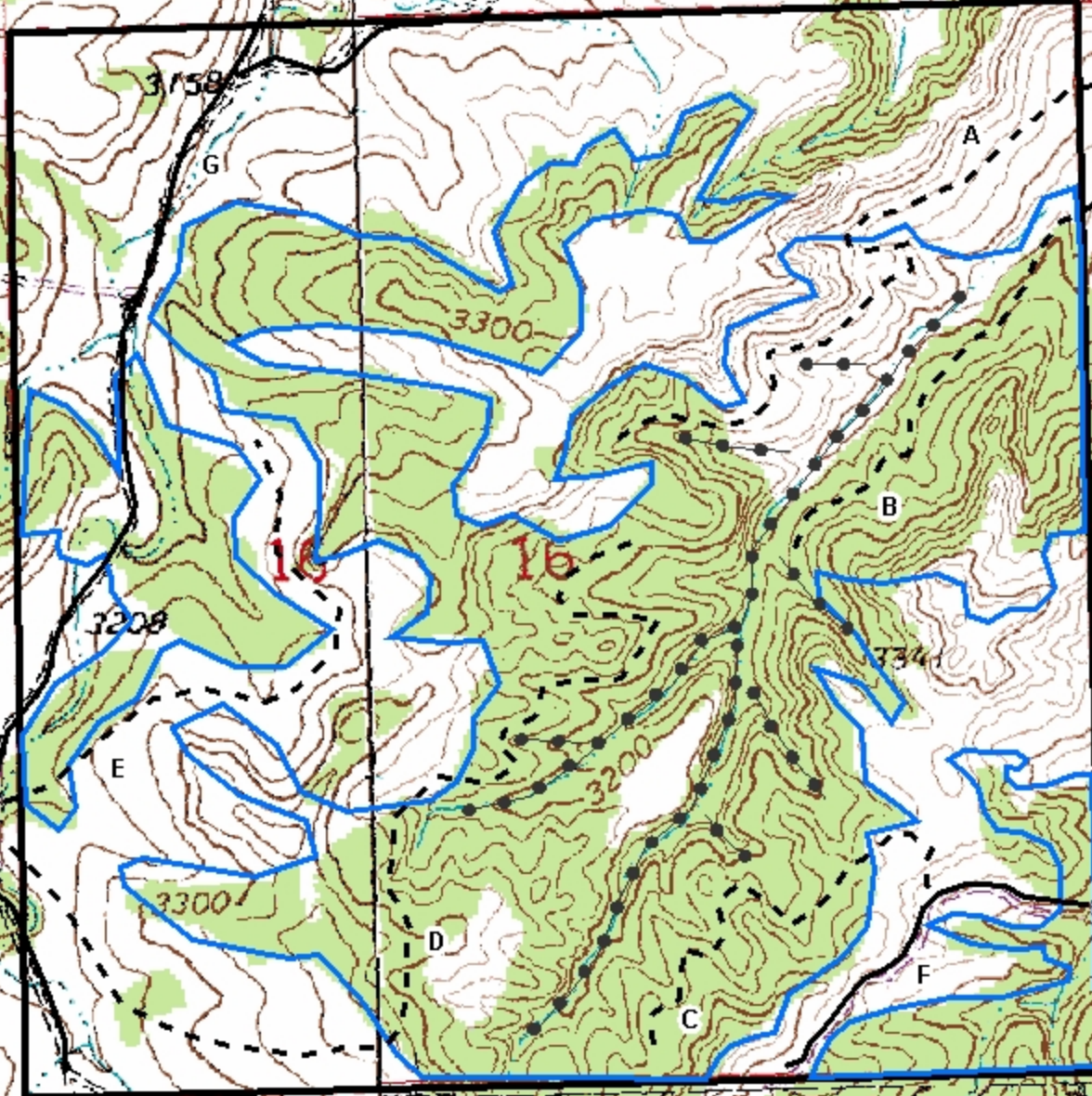
TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	16 Reed Creek	327	3607	481	Prior to starting Unit 2
2	36 Wagon Box	142	2212	295	Prior to starting Unit 3
3	16 Pine Ridge	204	3180	424	Prior to starting Unit 4
4	15,16,22 4-Pak Burn	448	5828	777	Prior to starting Unit 5
5	16,22 4Pak- Underburn	153	2663	355	October 1, 2007

Additional Sale Information:

1. Temporary Rights-of-Way agreement have been secured from the Patterson Ranch and the Wagon Box Ranch to access this sale and hereby made a part of this contract. The Purchaser is responsible for adhering to the stipulations of these agreements. The Purchaser is responsible for paying \$3,000.00 directly to Stampfel for the right-of-way with proof of payment sent to DNRC.
2. **This sale is a combination of salvage and green timber and will bid at ONE price on a per ton basis only.**
3. The Forest Improvement fee for this sale will be \$.40/ton and will be paid concurrent with stumpage. The Department of Natural Resources personnel will burn the piles.
4. In all units a tree shall be considered fire killed if greater than 50% of it's crown is scorched or burned. A tree is considered live green if less than 50% of it's crown is scorched or burned. All trees 10" DBH and larger with a 16'6" log to an 8" top dib are considered merchantable.
5. In harvest Unit 1 all merchantable fire killed ponderosa pine must be cut. All live green trees are considered leave trees. In harvest Units 2-5 all merchantable fire killed ponderosa pine must be cut. In areas where fire severity is mixed or under-burned and live green trees are present, a dominant/co-dominant live green tree should be left approximately every 30-50 feet.
6. Purchaser and road builder/contractor must meet with the Forest Officer for on-the-ground review prior to commencement of work. Erosion control measures (drain dips, outslopes, and inslopes, etc.) must be built during initial road construction. All Temporary Spur Roads must be mechanically ripped, using a blade with a minimum of eight teeth or an equivalent piece of equipment, immediately after haul use is completed and no later than November 1, 2007. DNRC personnel will seed the temporary spur roads at the time of ripping. In addition to ripping of Temporary Spur Roads, the Purchaser will be responsible for pulling berms on approximately a half mile of fireline.
7. Purchaser is required to buy 200 pounds of pure live seed and all the seed must be delivered to the Eastern Land Office on or before the commencement of any road building activity. The seed species mix is listed in Attachment B in the sale contract.
8. No mechanical equipment or log hauling equipment may operate when the ground is wet and rutting of the unit and road surface may occur.
9. All harvested trees will be whole tree skidded to a landing and tops will be cut at the landing and piled. All piles will be as large and tall as possible and tightly compacted. On areas of the sale with steep adverse skids, trees may be limbed in the woods and slash lopped to a height of 18" above the ground surface. No slash of any kind will be piled at the obvious head of any draw. Equipment used to pile slash must have a brush blade attached. All slash piles will be located next to a road. Any small trees that are knocked over or broken tops of trees that cannot be piled must be lopped to a height of 18" above the ground surface.
10. Purchaser is responsible to ensure the mill sends the Eastern Land Office the load reports (Truck Weight Tickets) on a bi-monthly basis and the DNRC will bill the Purchaser approximately every two weeks for the total tonnage delivered to the mill.
11. All logs must be hauled no later than 30 days after they have been decked. The date of decking must be painted on several of the decked logs.
12. All fire killed ponderosa pine within a designated harvest unit and within a tree length of a fence must be cut. Any and all fences damaged during harvest activity must be repaired immediately at the time of damage.

Attachment A





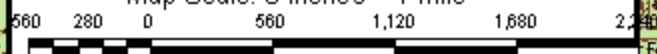
**PINE RIDGE SALVAGE TIMBER SALE
SECTION 16 TOWNSHIP 3N RANGE 32E
HARVEST UNIT 1**

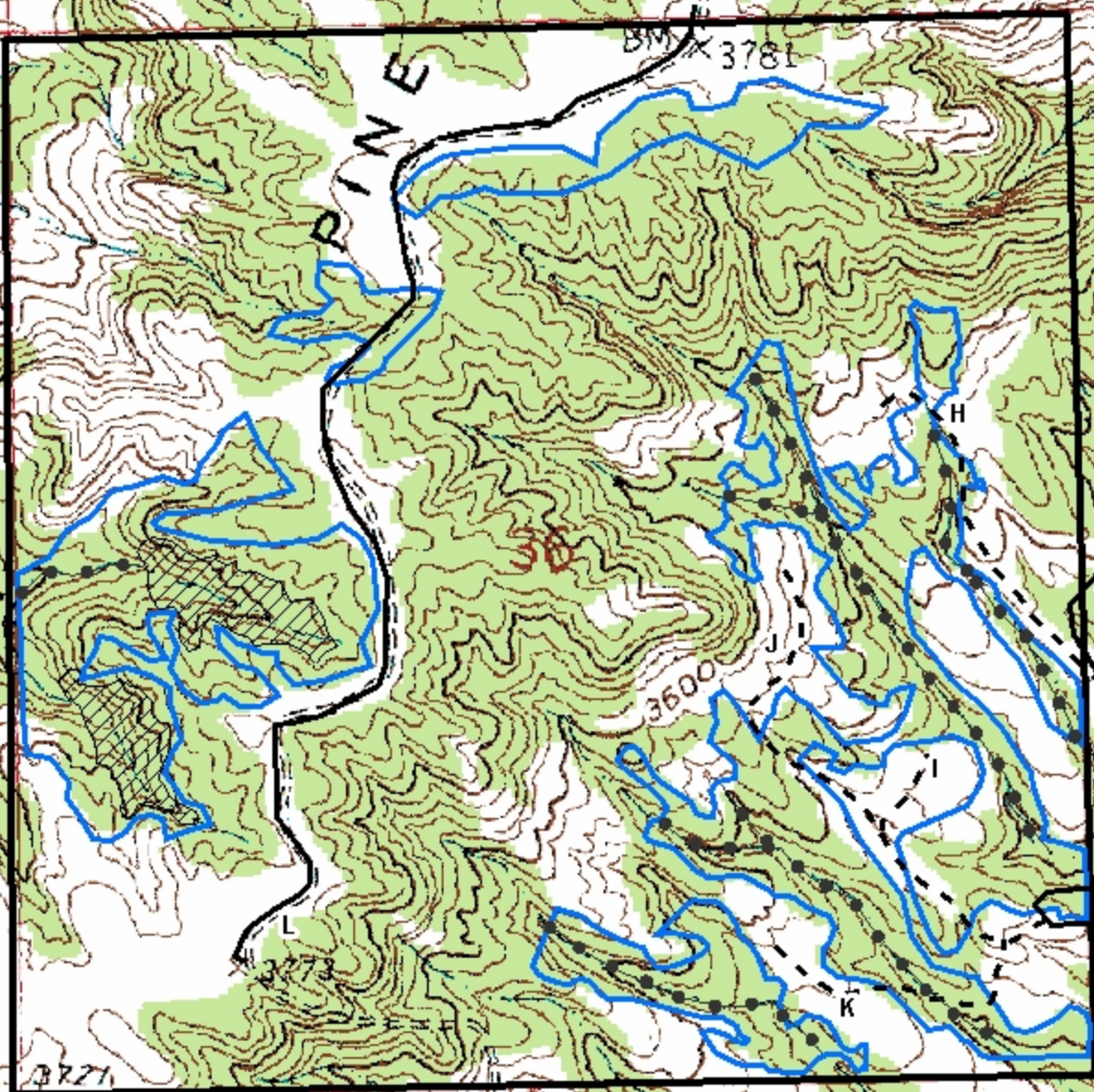
Legend

-  Harvest Unit Boundary
-  Existing Roads
-  Temporary Road
-  Equipment Restriction Zones
-  Equipment Exclusion Zones
-  State Land



Map Scale: 6 inches = 1 mile





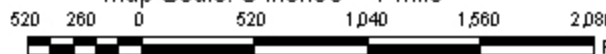
**PINE RIDGE SALVAGE TIMBER SALE
SECTION 36 TOWNSHIP 3N RANGE 32E
HARVEST UNIT 2**

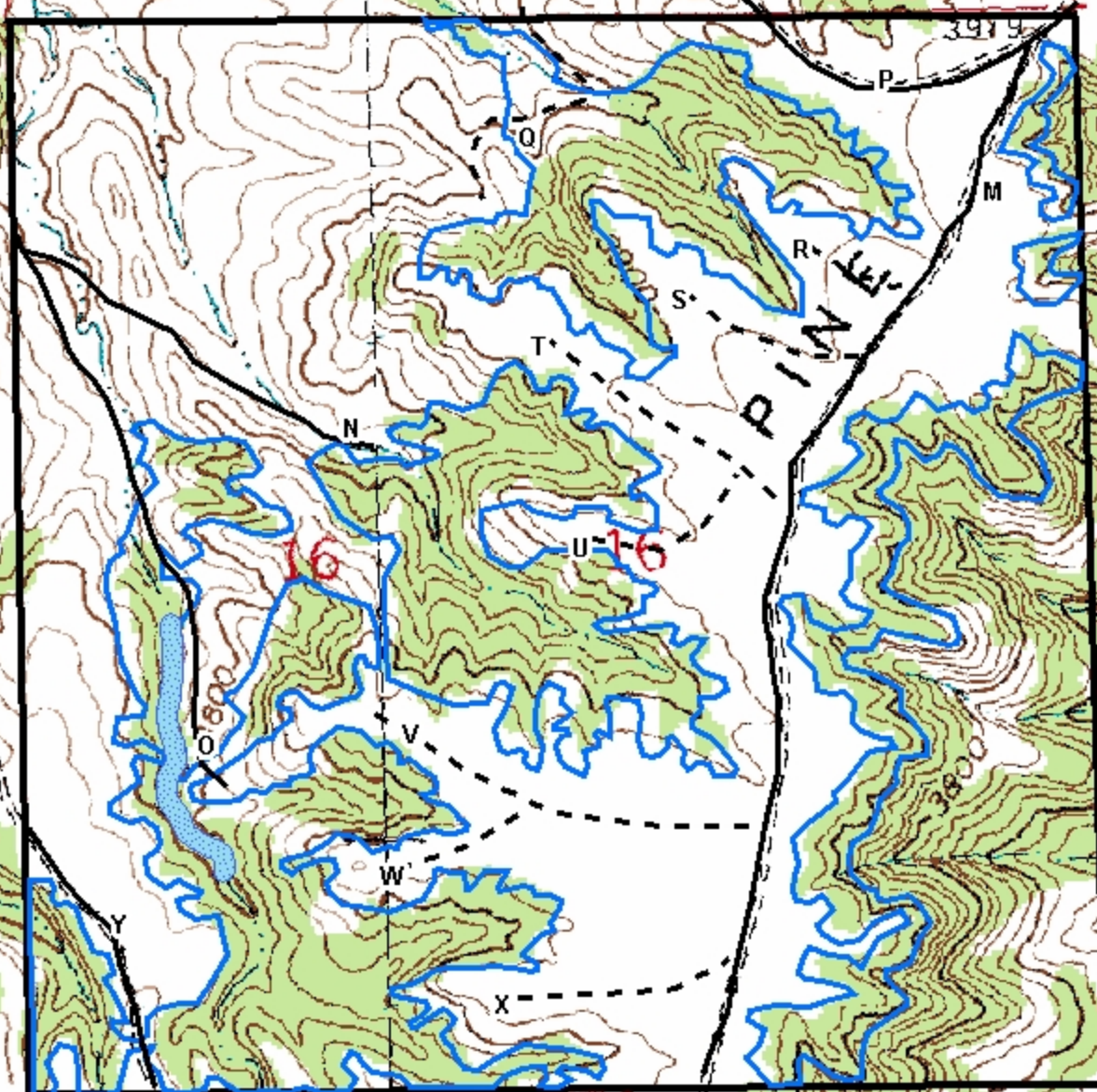
Legend

-  Harvest Unit Boundary
-  Existing Roads
-  Temporary Road
-  Equipment Restriction Zones
-  Equipment Exclusion Zones
-  State Land



Map Scale: 6 inches = 1 mile

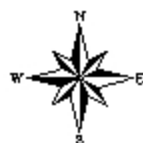




**PINE RIDGE SALVAGE TIMBER SALE
SECTION 16 TOWNSHIP 2N RANGE 32E
HARVEST UNIT 3**

Legend

- Harvest Unit Boundary
- Existing Roads
- Temporary Road
- Equipment Restriction Zones
- Equipment Exclusion Zones
- State Land
- SMZ



Map Scale: 6 inches = 1 mile

530 265 0 530 1060 1590 2120



**PINE RIDGE SALVAGE TIMBER SALE
SECTIONS 15,16,22 TOWNSHIP 2N RANGE 31E
HARVEST UNITS 4 AND 5**

Legend

-  Harvest Unit Boundary UNIT 4
-  GREEN UNDER-BURN UNIT 5
-  Existing Roads
-  Temporary Road
-  Equipment Restriction Zones
-  State Land
-  Equipment Exclusion Zones



Map Scale: 4 inches = 1 mile

